

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF THE NOLIN RURAL ELECTRIC)	
COOPERATIVE CORPORATION FOR AN ORDER)	
PURSUANT TO KRS 278.300 AND 807 KAR)	
5:001, SECTION 11 AND RELATED SECTIONS)	
AUTHORIZING THE COOPERATIVE TO OBTAIN A)	CASE NO. 93-324
FIVE YEAR LINE OF CREDIT IN THE AMOUNT)	
OF \$3,000,000.00 FROM THE NATIONAL)	
RURAL UTILITIES COOPERATIVE FINANCE)	
CORPORATION)	

O R D E R

IT IS ORDERED that Nolin Rural Electric Cooperative Corporation ("Nolin") shall file the original and eight copies of the following information with the Commission with a copy to all parties of record within 10 days from the date of this Order. If the information cannot be provided by this date, Nolin should submit a motion for an extension of time stating the reason a delay is necessary and include a date by which the information will be furnished. Such motion will be considered by the Commission.

1. On page 3 of the Application, Item 5, Nolin states it will use the line of credit proceeds to reimburse general funds for operating expenditures and construction costs until long-term loan funds become available.

a. Thoroughly describe the operating expenditures to which Nolin refers. Explain why its general funds need to be reimbursed for these operating expenditures.

b. Thoroughly describe the construction costs to which Nolin refers. If these construction costs relate to a two-year

work plan, identify the work plan and state when the Certificate of Public Convenience and Necessity was received for the work.

2. Exhibit 6 of the Application contains a copy of the National Rural Utilities Cooperative Finance Corporation ("CFC") Revolving Line of Credit Application and Agreement ("Agreement"). Part 21 of the Agreement states that Nolin's existing CFC line of credit agreement, No. 03-20-051-R-9901, has been terminated and canceled by the approval of the new Agreement.

a. Compare the CFC line of credit No. 03-20-051-R-9901 with the new CFC Agreement. Describe in detail any changes in the terms or conditions of the agreements.

b. Explain in detail why CFC line of credit No. 03-20-051-R-9901 needed to be replaced with the new Agreement.

c. The bottom of the first page of the new Agreement indicates that it is for a "Class A Line of Credit." Was the former line of credit considered Class A?

Done at Frankfort, Kentucky, this 12th day of October, 1993.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:


Executive Director